Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Agriculture & Natural Resources Committee

HB 1406

Brief Description: Creating the companion animal spay/neuter assistance program.

Sponsors: Representatives Williams, Moeller, Dunshee, Upthegrove, Simpson, Anderson, Hunt, Dickerson, Takko, Nelson, McCoy, O'Brien, Flannigan, Conway, Roberts and Santos.

Brief Summary of Bill

• Creates a companion animal spay/neuter assistance program within the Department of Agriculture to pay for spaying and neutering of dogs and cats owned by low-income individuals, as well as feral and free-roaming cats.

Hearing Date: 2/5/09

Staff: Anna Jackson (786-7190)

Background:

Animal care and control agencies

Animal care and control agencies include any city or county animal control agency authorized to enforce city or county municipal ordinances regulating the care, control, licensing, or treatment of animals within the city or county, as well as any humane society that contracts with a city or county to enforce ordinances governing animal care and control [RCW 16.52.011(c)]. Animal care and control agencies and nonprofit humane societies may provide free limited veterinary services to animals owned by qualified low-income households [RCW 18.92.260]. These limited veterinary services include electronic identification, surgical sterilization, and vaccinations, and must be performed by a veterinarian or a veterinary technician acting within his or her scope of practice [RCW 18.92.260]. In this context, "low-income household" means a single person, family, or unrelated persons living together whose adjusted income is less than 80 percent of the median family income, adjusted for household size, for the county where the

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animal care and control agency or nonprofit humane society is located [RCW 18.92.260, 43.185A.010(5)]. Animal care and control agencies and nonprofit humane societies may also provide emergency care to animals, subject to a local ordinance that defines an emergency situation [RCW 18.92.260(b)].

Distribution and registration of pet food

Pet food is defined as a commercial feed prepared and distributed for consumption by pets, which are domesticated animals normally maintained in or near the household of the owner of the pet [RCW 15.53.901(23) and (24)]. Specialty pet food is defined as commercial feed for pets normally kept in a cage or tank, including birds, fish, and hamsters. A person must register with the Department of Agriculture (Department) to distribute pet food in Washington [RCW 15.53.9014(1)]. Applications for registering a pet food must include a label and other applicable printed materials describing the product, and a fee based on the weight of the packages for distribution [RCW 15.53.9014(2) and (3)].

Every pet food registrant must file a semiannual report with the Department listing the number of tons of pet food distributed in or into the state [RCW 15.53.9018(1)]. In addition, each initial distributor or responsible buyer, defined as a licensee who is not the final purchaser of a pet food and who has agreed to be responsible for reporting tonnage and paying inspection fees, must pay an inspection fee to the Department during the reporting period [RCW 15.53.901(26), RCW 15.53.9018(2)].

Summary of Bill:

Creation of the companion animal spay/neuter assistance program

The companion animal spay/neuter assistance program is established. The purpose of the program is to pay for spaying and neutering of companion animals owned by low-income individuals and for spaying and neutering feral and free-roaming cats. "Companion animal" means a dog or cat and includes a feral or free-roaming cat. "Low-income" means an individual who is a resident of the state and who either is:

- a single person, family, or unrelated persons living together whose adjusted income is less than 80 percent of the median family income, adjusted for household size, for the county where the animal care and control agency or nonprofit human society is located [RCW 43.185A.010(5)]; or
- eligible for and participates in at least one of the following public assistance programs: (1) the Washington Basic Food Program administered by the Department of Social and Health Services (DSHS); (2) Basic Health administered by the Washington State Health Care Authority (HCA); (3) medical assistance programs administered by the DSHS that fall within a household income limitation of 250 percent of the federal poverty level; (4) supplemental security income administered by the federal Social Security Administration; or (5) any other public assistance program that the Director of the Department determines is sufficient to qualify a person as a low-income individual.

Caretakers of feral and free-roaming cats are not subject to these low-income requirements.

In order to facilitate screening and verification of low-income applicants for eligibility to participate in the program, other agencies of the state must work cooperatively with the Department, including the DSHS and the HCA. The Department also has the authority to contract with public, private, or nonprofit agencies or organizations with relevant experience and expertise to accomplish the purposes of the program.

Eligibility requirements

In order for a companion animal to eligible for the program, it must be: (1) owned by qualified low-income individuals; (2) a feral or free-roaming cat; or (3) not owned by individuals but in the possession of animal shelters, animal care and control agencies, or other animal welfare organizations. A companion animal without an owner that is transferred from outside the state is not eligible.

Any private veterinarian, private veterinarian practice, animal care and control agency, or nonprofit organization whose services include performing spay and neuter surgeries on companion animals is eligible to participate in the program. Participation in the program is voluntary, and spay and neuter services may only be performed by licensed veterinarians. Participating providers may choose whether to exclude particular species (dog or cat) and whether to exclude feral or free-roaming cats.

Any provider that is interested in participating must submit an application to the Department that includes a list of fees normally charged for companion animal sterilization, separate fees for surgical sterilization of female cats, male cats, female dogs within various weight ranges, male dogs within various weight ranges, and for other surgical classifications that the Department may determine.

Participating private veterinarians or private veterinary practices are not required to screen applicants for eligibility, although they may do so voluntarily. The Department may, however, require that animal care and control agencies and nonprofit organizations that are participating screen applicants for eligibility. No participating spay and neuter surgery provider is required to perform medical procedures on an animal that the provider determines is medically unfit.

Companion animal spay/neuter fee

The companion animal spay/neuter fee is \$57.50 per ton of pet food. Specialty pet food is not subject to the companion animal spay/neuter fee.

Each initial distributor or responsible buyer of pet food must pay a companion animal spay/ neuter fee to the Department on all pet food distributed during the semiannual reporting period for registered pet foods and commercial feed licenses. An initial distributor is not required to pay a companion animal spay/neuter fee, however, for pet food he or she distributed to a responsible buyer. In a situation where a responsible buyer is distributing to another responsible buyer, the companion animal spay/neuter fee must be paid by the last responsible buyer to distribute the pet food.

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The initial distributor or responsible buyer is not required to pay a companion animal spay/neuter fee for: (1) pet food distributed during the reporting period that weighed less than one ton; (2) distribution of bona fide experimental pet foods on which accurate records and experimental programs are maintained; or (3) pet food distributed outside the state. Companion animal spay/neuter fees must be paid, however, on materials used in the preparation of pet food. The initial distributor or responsible buyer is not required to pay an inspection fee for pet food and specialty pet food distributed in packages weighing less than 10 pounds.

The companion animal spay/neuter fee must be deposited into the companion animal spay/neuter assistance account, which is created in the custody of the State Treasurer. In addition to all companion animal spay/neuter fees received, gifts and grants to the program, or other venue directed to the account must be deposited into the account, and expenditures from the account may only be used for the program. Only the Director of the Department or the Director's designee may authorize expenditures from the account.

Reimbursement of participating providers by the Department

The Department is required to reimburse each participating spay and neuter surgery provider for spay and neuter surgeries, presurgical examinations, and vaccinations authorized by the Department on a monthly basis, based upon the provider's normal fee schedule, as long as it does not exceed an amount that the Department determines is usual, customary, and reasonable. The usual, customary, and reasonable rate is calculated at the 80th percentile of prevailing fees for similar services charged by other private veterinary practices in the state, and the Department will adjust the compensation rates on a biannual basis. Compensation rates for presurgical examinations and vaccinations are determined at the discretion of the Department. The Department may establish separate compensation rates for services provided by animal care and control agencies and nonprofit organizations. Companion animal owners and caretakers of feral and free-roaming cats are responsible for paying any additional fees owed to the provider that are mutually agreed upon and not covered under the program.

Falsification of information

A person who knowingly falsifies the following information is guilty of a misdemeanor and may be suspended from participation in the program: (1) individual and household income or ownership of a companion animal in order to qualify for companion animal sterilization; (2) prevailing fees and rates charged for spay and neuter surgeries, presurgical examinations, and vaccinations; or (3) payment requests submitted to the Department for performance of services.

Reporting requirements

If a pet food registrant or holder of a commercial fee license is *not* paying companion animal spay/neuter fees on all pet food he or she distributes in or into the state, the registrant or licensee must include information in the semiannual report regarding the person who is responsible for paying the fees and the number of tons involved.

In order to assist the Department in evaluating the impact of the program, animal care and control agencies, humane societies, and other nonprofit organizations that serve as animal shelters for companion animals within the state must annually report the number of cats, kittens,

dogs, and puppies received and the fate of these animals. This reporting requirement does not apply to animal shelters that handle small numbers of companion animals, as determined by the Department.

Duties of the Department

The Department must administer the program, enroll spay and neuter surgery providers, and actively promote and publicize the program and the names and locations of participating providers. The Department must establish criteria and procedures for screening companion animal owners and caretakers of feral and free-roaming cats for eligibility to participate in the program, or contract for screening to promote the ease and convenience of applying for services under the program. The Department is charged with obtaining the greatest number of spay and neuter surgeries that can be accomplished efficiently, consistent with the program's purpose and availability of funds, and maximizing the ease and convenience for eligible owners and caretakers of companion animals to apply for and receive spay, neuter, and other authorized veterinary medical services.

The first expenditure priority for the Department is to fund spay and neuter surgeries for companion animals that are either: (1) owned by qualified low-income individuals; (2) feral or free-roaming cats; or (3) not owned by individuals but in the possession of animal shelters, animal care and control agencies, or other animal welfare organizations. In addition, the Department may use money from the account to pay the costs of presurgical examinations and vaccinations of companion animals eligible for spay or neuter surgery. To the extent that money is available in the account and spay and neuter funding priorities are met, the Department may use money from the account for spay and neuter surgeries on companion animals in the possession of animal shelters, animal care and control agencies, and other animal welfare organizations. The Department may not, however, use funds from the account to provide veterinary medical services to the public at large.

The Department is required to set copayment amounts for spay or neuter surgery on owned companion animals. The copayment amounts may not exceed \$20 per dog and \$10 per cat. Any copayments due must be paid by or on behalf of low-income owners of companion animals to participating spay and neuter surgery providers. There are no copayments for spay or neuter surgery performed on feral or free-roaming cats.

The Department is also required to adopt policies and procedures for: (1) proof of eligibility for spay and neuter surgery; (2) enrolling spay and neuter surgery providers in the program; (3) determining the percentage of funds to be allocated to spay and neuter surgery, education of the public, and other purposes; (4) determining fair and reasonable rates of compensation for spay and neuter surgeries, presurgical examinations, and vaccinations, and making fair and reasonable adjustments to these rates; (5) providing guidance to shelters regarding shelter reporting; and (6) any other matter necessary for the administration of the program.

Finally, the Department must prepare and submit a report to the Governor and the Legislature by January 31, 2011, and annually thereafter, that describes and evaluates the program's performance and impact over the previous year and cumulatively since it began. At a minimum, the report must include: (1) the number of spay and neuter surgeries completed; (2) program revenue and expenditures; (3) the number of companion animals received by animal shelters and

the fate of these animals; (4) information related to effectiveness, efficiency, and accomplishment of objectives; and (5) recommendations for legislative or administrative actions as the Department deems appropriate.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.